Concordia
UNIVERSITY

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Independent Financial Expert Appointed

CONCORDIA RELEASES ENGINEERING AUDIT

MONTRÉAL / July 15, 1994 — A forensic audit of research and other accounts in Concordia University's Faculty of Engineering and Computer Science has confirmed that certain research funds were used for purposes other than those intended. The audit found that some researchers in the Faculty deliberately manipulated account balances, thereby mixing research grants with contract funds and diverting them to discretionary research accounts.

The auditors also found that rules and procedures at Concordia University relating to administrative and financial controls failed to keep pace with the rapidly expanding research activities that occurred at the University between 1980 and 1993. They also found instances where University personnel had been used improperly for non-University activities.

The 111-page audit was released today by the University; it was commissioned last winter by the Dean of the Faculty of Engineering and Computer Science. The auditors were given a mandate to investigate research, contract and discretionary accounts held by researchers and managers in the Faculty.

The auditors state that irregularities uncovered in the Faculty of Engineering and Computer Science should not be used to cast aspersions on the University as a whole. Nothing in their investigations, they say, indicates that the activities undertaken by certain individuals in the Faculty of Engineering and Computer Science are occurring elsewhere at Concordia.

The audit was prepared by the firm of Bessner Gallay Schapira Kreisman, Chartered Accountants, under the direction of forensic auditor Philip C. Levi, C.M.C., F.C.A., C.F.E.

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INFORMATION

Independent Financial Expert Appointed

In a related development Jocelyne Debonville, a Partner with the firm of *Raymond, Chabot, Martin, Paré (RCMP),* has been appointed an Associate Vice-Rector Finance at Concordia University for a six-month-term beginning Monday July 18, 1994.

Among other things, Ms. Debonville will be responsible for managing the overall Treasury operation at Concordia and implementing changes wherever needed. She will also evaluate the effectiveness of all Treasury policies, procedures and controls as they pertain to the handling of research funds at Concordia.
The commitment to appoint an independent financial expert was made in the Action Plan which Concordia University released June 8, 1994. The Action Plan is a response, in part, to the findings of two independent inquiries (the Cowan and Arthurs reports) which were commissioned after four professors were murdered at Concordia in August 1992.

In addition to her work at *Raymond, Chabot, Martin, Paré,* Ms. Debonville's previous experience includes employment at Coopers & Lybrand Ltd., Management Consultants, Lavalin, Le groupe S.N.C., Hydro-Québec and the Groupe Transcontinental G.T.C. Ltée. As a partner at *RCMP* she has had extensive experience working in Québec's post secondary education sector — including universities, CEGEPs and school boards.

Other Developments

Besides Ms. Debonville's appointment, recent actions at Concordia include:

- The creation of a Task Force to Develop a New Policy on Contract Research;

- A commitment to ensure speedy implementation of a code of ethics applicable to all members of the Concordia community;

- A commitment to negotiate procedures with the Concordia University Faculty Association (CUFA) to help ensure the highest possible level of ethical behaviour on the part of CUFA's membership; these new procedures will be included in the faculty union's next collective agreement, and;

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- The establishment of an Advisory Committee to the Vice-Rector Academic to help the Dean of Engineering and Computer Science institute further reforms within his Faculty.

The Faculty of Engineering and Computer Science, for its part, has already:

- established strict controls to monitor expenditure claims submitted against research grants and contracts, and against monthly balances in the research accounts of all full-time faculty members;

- established clear procedures to process research grants and contracts; this latter activity is being conducted in close collaboration with Concordia's Office of Research Services and its Industrial Liaison Office, and;

- instituted a requirement that full-time faculty provide regular reports to the Dean on all paid and unpaid external professional activities.

Three Professors Leaving

Concordia University also confirmed today that:

(a) Mechanical Engineering Professor Seshadri Sankar is on unpaid leave effective today, until December 31, 1995, when he will leave the University.

(b) Dr. Sankar's brother, Mechanical Engineering Professor Thiagas (Tom) Sankar, will be on unpaid leave beginning July 28, 1994, and ending February 1995, when he will begin early retirement.

(c) As announced Wednesday, July 13, 1994, former Engineering and Computer Science Dean M.N.S. Swamy, who is currently on sabbatical leave, will begin early retirement from Concordia on September 1, 1994.